



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE
MARCH 30, 2006

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**TAX PREPARER AND EMPLOYEE INDICTED IN
FEDERAL TAX FRAUD CASE IN WHITE PLAINS FEDERAL COURT**

MICHAEL J. GARCIA, United States Attorney for the Southern District of New York, today announced that DUANE HOWELL, of Palm Beach, Florida, the principal in numerous tax preparation firms, and GLEN ROBINS, of Princeton, New Jersey, an employee of HOWELL, were indicted on conspiracy and tax fraud charges related to their preparation of scores of false and fraudulent income tax returns for individuals and partnerships.

According to the Indictment, HOWELL and ROBINS urged their clients to set up partnerships through which the clients could report income they received from rental properties and the operation of secondary businesses. Thereafter, HOWELL and ROBINS falsely inflated and/or wholly manufactured expenses for the partnerships, which expenses were listed on the partnership returns, thereby creating losses that flowed through to the individual returns of the client/partners. According to the Indictment, HOWELL and ROBINS generated approximately \$9 million in fraudulent expense deductions in this manner. Also according to the Indictment, HOWELL and ROBINS generated approximately \$900,000 in fraudulent deductions for contributions towards retirement plans that were taken on the individual tax returns of their clients.

The Indictment also charges that HOWELL and ROBINS attempted to make it more difficult for the IRS to uncover the phony losses created for their clients, and their roles in creating those phony losses, through several means, including: causing their clients to mail their partnership tax returns to different IRS service centers throughout the United States from year to year, which service centers were ordinarily different from the centers to which the clients sent their individual returns; by intentionally omitting their signatures as preparers of the returns in question; and, rather

than providing the true addresses of the partnerships as the business address on the partnership tax returns, provided post office boxes that bore no relation to the true address.

HOWELL and ROBINS each face a maximum aggregate sentence of eight years in prison and aggregate fines of \$500,000 on the conspiracy and income tax fraud charges.

Both defendants surrendered and were arraigned before United States Magistrate Judge George Yanthis in White Plains. Judge Yanthis ordered that Howell be released on a \$500,000 bond to be secured by property and that Robins be released on a \$100,000 personal recognizance bond. The case has been assigned to United States District Judge Charles L. Brieant, and a pre-trial conference has been set for 10:00am on Thursday, April 6.

Mr. GARCIA praised the Criminal Investigation Division of the Internal Revenue Service for its efforts during the investigation.

Assistant United States Attorney Elliott B. Jacobson is in charge of the prosecution.

The charges contained in the Indictment are merely accusations and the defendants are innocent unless and until proven guilty.

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